

# HOUSE BILL REPORT

## SHB 1413

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### As Passed House:

March 9, 2009

**Title:** An act relating to water discharge fees.

**Brief Description:** Concerning water discharge fees.

**Sponsors:** House Committee on Agriculture & Natural Resources (originally sponsored by Representatives McCoy, Nelson, Quall and Blake).

### Brief History:

#### Committee Activity:

Agriculture & Natural Resources: 2/12/09, 2/19/09 [DPS];

General Government Appropriations: 2/26/09 [DPS(AGNR)].

#### Floor Activity

Passed House: 3/9/09, 59-38.

### Brief Summary of Substitute Bill

- Authorizes the Department of Ecology (DOE) to charge an annual fee for domestic wastewater facility permits up to 18 cents per month per residence or residential equivalent that is contributing to the wastewater system.
- Allows the DOE to increase fees up to the fiscal growth factor for fiscal years 2010 and 2011.
- Authorizes the DOE to adjust the fee schedule annually through December 31, 2011.
- Requires the DOE to evaluate the existing fee structure.

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### HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Blake, Chair; Jacks, Vice Chair; Lias, McCoy, Nelson, Ormsby and Van De Wege.

**Minority Report:** Do not pass. Signed by 5 members: Representatives Chandler, Ranking Minority Member; Smith, Assistant Ranking Minority Member; Kretz, Pearson and Warnick.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Staff:** Jaclyn Ford (786-7339)

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## HOUSE COMMITTEE ON GENERAL GOVERNMENT APPROPRIATIONS

**Majority Report:** The substitute bill by Committee on Agriculture & Natural Resources be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives Darneille, Chair; Takko, Vice Chair; Blake, Dunshee, Hudgins, Kenney, Pedersen, Sells, Van De Wege and Williams.

**Minority Report:** Do not pass. Signed by 4 members: Representatives McCune, Ranking Minority Member; Hinkle, Assistant Ranking Minority Member; Armstrong and Short.

**Staff:** Owen Rowe (786-7391)

### **Background:**

The federal Clean Water Act (CWA) sets effluent limitations for discharges of pollutants. "Pollutant" is defined in the CWA to include a variety of materials that may be discharged into water through human activities, construction or industrial processes, or other methods.

The Department of Ecology (DOE) is delegated federal CWA authority by the United States Environmental Protection Agency (EPA). The DOE also is the agency authorized by state law to implement state water quality programs.

The CWA establishes the National Pollutant Discharge Elimination System (NPDES) permit system to regulate wastewater discharges from point sources to surface waters. "Point sources" are defined generally as discernable, discrete, and confined conveyances from which pollutant discharges can or do occur. The NPDES permits are required for anyone who discharges wastewater to surface waters or who has a significant potential to impact surface waters.

A wastewater discharge permit places limits on the quantity and concentrations of contaminants that may be discharged. Permits may require wastewater treatment or impose operating or other conditions, including monitoring, reporting, and spill prevention planning. The NPDES permits are valid for five years but may be renewed.

In addition to its NPDES permit responsibilities, the DOE administers a state program for discharge of pollutants to state waters. State permits are required for anyone who discharges waste materials from a commercial or industrial operation to ground or to publicly-owned treatment plants. State permits are also required for municipalities that discharge to ground.

The DOE establishes annual fees to collect expenses for issuing and administering state and NPDES discharge permits. Fees must be based on the complexity of permit issuance and compliance. Fees must be established to fully recover but not exceed the program expenses, including permit processing, monitoring, compliance, evaluation, inspection, and program overhead costs.

### **Summary of Substitute Bill:**

The DOE may charge an annual fee to municipalities for domestic wastewater facility permits up to 18 cents per month per residence or the residential equivalent that is contributing to the wastewater system. The DOE may also increase fees up to the fiscal growth factor for fiscal years 2010 and 2011, except for categories of discharges whose fees exceed the costs of managing their permits. The DOE is authorized to adjust the fee schedule annually through December 31, 2011.

The DOE, with the advice of an advisory committee, must evaluate the existing fee structure, including the current inequity of fees relative to permit workload. A report on their findings must be reported to the Legislature in 2010.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony (Agriculture & Natural Resources):**

(In support) Fees have not been keeping up with the cost of permits. This bill is a positive step to ensure Washington continues to fund this program.

(Opposed) None.

**Staff Summary of Public Testimony (General Government Appropriations):**

(In support) The bill was brought forward by the Association of Washington Business and the environmental community, and is the result of stakeholder work over the last few months. This legislation is needed so that the Department of Ecology (DOE) can keep up with the National Pollution Discharge Elimination System (NPDES) permits under the federal Clean Water Act. If we're serious about cleaning up Puget Sound, this bill should pass. The DOE needs this fee increase; the current levels of staff working on the NPDES permits are inadequate to meet workload demand. Fees have not been adjusted since 1989. This bill will help to keep the state's waters clean and protect public health.

(Opposed) None.

**Persons Testifying (Agriculture & Natural Resources):** Representative McCoy, prime sponsor; Grant Nelson, Association of Washington Business; and Bruce Wishart, People for Puget Sound.

**Persons Testifying (General Government Appropriations):** Representative McCoy, prime sponsor; and Bruce Wishart, People for Puget Sound.

**Persons Signed In To Testify But Not Testifying (Agriculture & Natural Resources):** None.

**Persons Signed In To Testify But Not Testifying (General Government Appropriations):**  
None.